MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2019/2020

DAC5024 – COMPUTERISED ACCOUNTING INFORMATION SYSTEM

(For Diploma Students Only)

10 MARCH 2020
9.00 a.m - 11.00 a.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 12 pages with 2 sections.

2. Attempt **ALL** questions in Section A and Section B. The distribution of the marks for each question is given.

3. Please write all your answers for Section A on the OMR form provided and all answers for Section B in the Answer Booklet provided.

SECTION A: Multiple Choice Questions (30 Marks)

1. Sanjit is the general manager of a petroleum processing plant in Port Dickson. In order to ensure that the company is performing well every year, he often refers to the monthly _____ to compare the budgeted and actual costs for the month. When a large difference is noted, he will immediately initiate an investigation to check on the differences known as _____.

   A. performance report; management by exception
   B. performance report; investigation management
   C. survey report; management by exception
   D. survey report; investigation management

2. A company can ensure that their accounting information system is also able to provide adequate internal control through each of the following methods **EXCEPT** _____.

   A. by ensuring that all information are widely distributed
   B. by ensuring that all transactions are properly documented
   C. by ensuring proper segregation of duties are being executed
   D. be ensuring that all documents are properly filed and kept

3. Which of the following information flow in a color pencil manufacturer is **TRUE**?

   I When the completed color pencils are ready to be shipped, the finished goods are send to the customers and payment is received from the customer.
   II The company makes monthly loan payment to RHB for a loan taken when they purchased a new sorting machine.
   III At the end of every month, the company needs to obtain their tax reports from the government in order to know the current financial position of the firm.
   IV The company receives funds from the creditors of the company and makes yearly dividend payouts to them.

   A. I & II only.
   B. II & III only.
   C. III & IV only.
   D. I & IV only.

4. Mabell works as a sales agent for a pharmaceutical firm in Kuala Lumpur and her tasks are to promote and sell various types of respiratory medicines to private practitioners and general hospital's specialists. When she is able to close a deal, she will immediately call her firm to place the order and to book the stock. As such, this data processing method is known as _____.

   A. group processing
   B. batch processing
   C. immediate update processing
   D. real-time processing

Continued...

5. Salihah is the general manager of a metal office furniture manufacturing firm in Johor. As such, she often needs information that are available in time to make decisions and information that are presented in a meaningful manner in order to make good decisions. The types of information needed are _____.

   A. accessible and complete information
   B. timely and complete information
   C. accessible and understandable information
   D. timely and understandable information

6. Rosalind is a bank officer in Penang and her daily task is to process loan applications from companies. In order to ensure that decisions are made accurately, she often needs _____ from the company such as the company's audited financial statement and the company's current financial statements.

   A. mandatory information
   B. essential information
   C. discretionary information
   D. banking information

7.

- This cash collection method aims to prevent theft of cash and to improve the cash flow management of the company. - This method uses a bank's P.O box for customers' remittances. At the end of each week, a list of remittances will be sent to the company for checking purposes. - This method allows the company to reach to international customers.

   Which of the following cash collection method is described above?

   A. Turnaround documents.
   B. Lockbox arrangements.
   C. Remittance advice.
   D. Pre-award audit.

8. JO Sdn. Bhd. manufactures and sells mineral water to shopping malls and grocery shops in Malaysia. As the frequency of delivery to his customers are high, he has decided to bill his customers using a monthly invoice. What type of billing method is this?

   A. Monthly invoice billing method.
   B. Open invoice billing method.
   C. Monthly statement billing method.
   D. Balance forward billing method.

Continued...

9. Shanthi is working as a shipping clerk in a manufacturing company that produces cat litter boxes. Her customers are mainly international customers from the United Kingdom and China. When she packs the stock for shipping purposes, she will also update the stock quantity into the system and prepare the _____ document, which is a legal contract that defines the responsibility for the goods in transit.

   A. back order
   B. delivery order
   C. freight bill
   D. bill of lading

10. Abdul is the accounts manager of QQ Sdn. Bhd., a company that manufactures and sells construction materials. On July 2019, QQ Sdn. Bhd. has issued a credit memo to their customer. Each of the following could have happened **EXCEPT FOR** _____.

   A. J Builders has requested for an allowance for damaged goods as QQ Sdn. Bhd. delivers ten containers of wooden planks to Pahang
   B. Abdul would like to write off his customer, Mr. Eng, as uncollectible
   C. QQ Sdn. Bhd. would like to return ten sacks of semen to PD Soil as the packet is torn
   D. a customer has returned one pallet of spoilt bricks to QQ Sdn. Bhd

11. Hagar is a sales clerk in SD Sdn. Bhd., a small firm that sells household items purchased from China. When she receives a sales order, she will always check the availability of the stock before approving the sales order. If there are enough units to fill the order, Hagar will need to inform each of the following department **EXCEPT** _____.

   A. the billing department
   B. the warehouse department
   C. the human resource department
   D. the shipping department

12. Isaac operates a training company that specialises in providing team building activities to companies. As he receives an invitation to conduct a training, he often needs to ensure that all the needed information is first collected before he prepares his training materials. Which of the following edit check is he performing on the information collected?

   A. Reasonableness test.
   B. Validity check.
   C. Completeness test.
   D. Availability test.

Continued...

13. Nathan, an assistant pharmacist, is assign by the pharmacist to physically count, check and fill in the inventories by sending a purchase requisition to the head office to order. Based on some of the inventories in the ordering list, the inventory that can be order by applying the Economic Order Quantity approach is _____.

    A. wheel chairs and canes
    B. cleaning aid medication
    C. first aid treatment box
    D. supplements

14. The similarities between Just in Time Inventory (JIT) and Materials Requirements Planning (MRP) approaches are _____.

    I costs and efficiency
    II nature of products
    III too much or too little
    IV scheduling production and inventory accumulation

    A. I & III only.
    B. I & IV only.
    C. II & III only.
    D. II & IV only.

15. Which of the following information flow **FROM** expenditure cycle?

    A. The request to get the amount of purchases budgets allocated for next year.
    B. The request to fill in the quantity order and on hand.
    C. The request to renew the workers' group insurance.
    D. The request to replace new computer and printer.

16. Madhuri, the receiving manager, is expecting to receive spare parts ordered from one of the company's main supplier from oversea. However, Madhuri needs to deal with thousands of spare parts from different suppliers imported from different countries. Madhuri can use _____ to track the location of incoming shipments so that Madhuri can assign the company drivers to collect from specific loading docks one arrive in Malaysia.

    A. reverse auctions
    B. satelite technology
    C. picking slip
    D. audits

Continued...

17. In order to achieve the objective of account payable, the information about valid purchase order from purchasing department and receiving report from receiving department were collected by accounts payable clerk. The objective mentioned is to authorise payment for _____.

A. stocks that were actually ordered and sold
B. services that were actually received and utilised
C. supplies that were actually ordered and used
D. goods and services that were actually ordered and received

18.

- Does not involve human interactions
- Is one of the method to improve the cash disbursement to suppliers
- Interact involves company and supplier's bank

The above describe one of the method used to improve cash payment in which known as _____.

A. online banking
B. electronic fund transfer
C. credit and procurement card
D. financial electronic data interchange

19. The following officers that are required to attend almost all meetings related to the process in product design are _____

I Alex, the head designer team.
II Gordon, the Head of Operation and Management.
III Nazri, the factory manager.
IV Letchumi, the cost accountant head.

A. I, II & III only.
B. I, II & IV only.
C. I, III & IV only.
D. I, II, III & IV.

20. Shelton Manufacturing Berhad planned to produce a new hybrid motor engine that requires both hidro and oil palm to run. A research and development team was formed since four years ago. Recently, the team managed to produce a prototype based on the blueprint, together with two important documents known as _____ and _____ to present in their next meeting with the top management of Shelton Manufacturing Berhad.

A. bill of expertise; protocol order
B. bill of materials; operations list
C. list of biddings; machinery order
D. list processing terms; production schedule

Continued...

21. The cost and pricing of producing _____ can be computed using _____ approach.

A. uniforms; process costing
B. toothpaste; job order costing
C. customised shoes; process costing
D. colouring pencils; job order costing

22. The following statements are true regarding purchasing of plant and machinery for production use **EXCEPT FOR** _____.

A. the purchasing process is different from expenditure cycle
B. plant and machinery are normally purchase through loan borrowing and hire purchase
C. the purchase costs are varied due to competitive biddings offered by suppliers
D. the company needs to consider the internal control costs for safeguard purposes

23. _____ is not the method used to achieve the objectives of cost accounting.

A. Using bar-coding and scanner to compute the unit balances of raw materials on hand in the warehouse
B. Using electronic time clock to compute the labour and operation hours for a specific batch
C. Using Electronic Data Interchange (EDI) programme to compute the units to be produce
D. Using job time ticket to update the completion of a specific batch production

24. The main objective of product design is to design a product that _____.

I achieve zero quality costs
II minimise total production costs
III meeting the quality, durability and functionality demands
IV reduce the raw material inventory

A. I & II only.
B. II & III only.
C. I, II & III only.
D. II, III & IV only.

Continued...

25. _____ is useful to validate time and attendance data for factory workers with less supervision and involve with various type of productions and specific tasks.

A. Time clock
B. ID Badge and badge reader
C. Job time ticket
D. Online terminal

26. Validity checks on employee number and reasonableness tests are **BEST** perform by human resource staff when _____.

A. preparing and disburse payroll
B. validating time and attendance data
C. updating payroll master file for employees
D. calculating tax and miscellaneous deductions

27. Rakesh works as the manager in the human resource department and Emily is a sales supervisor in GK Imported Goods and Transport Berhad. Saiful and Ms. Sue, who are working in the same department, work under the supervision of Rakesh. The **CORRECT** sequences that describe the payroll process are _____.

I Emily verifies and faxes a list of the salesmans' working hours and sales to Saiful.
II Ms. Sue produces the payroll, EPF and SOCSO statements and hands to Rakesh to approve for disbursement.
III Net salary are computed by Saiful after considering all the payroll deductions and later to be passed to Ms.Sue to check and record the labour costs to the ledgers.
IV Emily received a call from Saiful regarding the salesmans' working hour and sales.
V Saiful calculates the gross pay after obtaining the pay rate and go through the payroll register.

A. I, II, III, IV & V
B. III, IV, II, V & I
C. IV, I, V, III & II
D. V, IV, I, II & III

28. Which of the following is **NOT ACCURATE** about payroll management process?

A. Paycheques are issued periodically.
B. Payroll application is processed in batch mode.
C. Most employees are paid at the same time.
D. Payroll cheques enables the bank to transfer the fund in the payroll account to employee's bank account.

Continued...

29. The following are the deductions that falls under voluntary deductions **EXCEPT FOR** _____.

    A. Social Security Organisation
    B. Employee Provident Fund
    C. Employment Insurance Scheme
    D. Payroll withholding taxes

30.

- Appointed for outsourced payroll management
- Maintain payroll master file
- Perform payroll processing activities

The entity that was described based on their role and tasks stated above is _____.

    A. Professional employer organisations
    B. Professional employee bureaus
    C. Payroll tribunal bureaus
    D. Payroll service bureaus

(Total: 30 marks)

Continued...

SECTION B: Structured Questions (70 Marks)

QUESTION 1

Hanisah and Rahim are the founders of a small prawn cracker manufacturing firm in Pahang known as H&R Snacks Sdn. Bhd. As the company's business begin to expand, they have decided to look into the value chain of the firm and they have approached you for some advice.

Required

(a) Identify the **FIVE (5)** primary activities and the **FOUR (4)** support activities of H&R Snacks Sdn. Bhd.'s value chain. (9 marks)

(b) Hanisah and Rahim have hired a line leader, Nelson, to handle one of the operation line. His tasks are to ensure that the production of Tom Yum flavoured crackers runs smoothly every day and each order is properly packed and shipped out on time. What kind of decision structure and decision scope does Nelson make?

(2 marks)

(c) In order to further support H&R Snacks Sdn. Bhd., you have suggested that Hanisah and Rahim adopt an accounting information system to support the data processing cycle of the company. List the **FOUR (4)** steps of the data processing cycle. (4 marks)

(Total: 15 marks)

QUESTION 2

Janice wants to start a new factory to produce and sell sports attire and sports equipment at a low price to encourage sports among the locals.

Required

(a) Explain any **FOUR (4)** technologies that Janice can use to improve her sales order entry. (8 marks)

(b) When a company wants to purchase from Janice using credit, she should first check the customer's credit position. List and explain the **TWO (2)** types of credit authorisation that Janice can perform on her customers. (6 marks)

(c) When a sales order has been confirmed, Janice needs to now pack and ship her stock out to the customers. Name the **FOUR (4)** technologies that can be used to speed up the movement of the inventory in the warehouse and to improve the accuracy of the perpetual inventory records. (4 marks)

Continued...

(d) Janice would like to issue a sales invoice to her customer when the stocks are shipped out. Identify the **TWO (2)** main purposes of the sales invoice.
(2 marks)

(Total: 20 marks)

QUESTION 3

Part A

EXO Home Service Berhad is a company that sells and installs kitchen appliances such as built in gas hob and kitchen furniture under the brand "ExoKitchen" for homes and restaurants. The company also provides cleaning services for air ventilators and kitchen hubs every year upon requests by its customers. Ms. Quay, the purchasing clerk of EXO Home Service Berhad, was assigned by the purchasing manager, Mr. Raj, to prepare and update the potential list of suppliers selected from the company's database and based on latest transaction records. Most of its gas hob, air ventilators and kitchen appliances are imported from overseas.

Required

(a) State any **TWO (2)** data to be collected by Ms. Quay to track and evaluate the supplier performance. (2 marks)

(b) Provide **THREE (3)** key considerations in selecting a proper supplier from the potential list. (3 marks)

(c) Due to the depreciation of Malaysia's currency, Mr. Raj was assigned by the Director of EXO Home Service Berhad to find an effective way to reduce the purchasing costs without affecting the sales and quality of the products sold. Mr. Raj suggested to use blanket order with its potential suppliers starting next year.

(i) Define what is a blanket order. (3 marks)

(ii) Briefly explain the **TWO (2)** benefits of using blanket order. (2 marks)

Part B

(a)

There are several methods that assist in improving the efficiency and effectiveness of cash disbursements. One of these methods is known to eliminate vendor invoices.

(i) Name the method as described above and known to eliminate vendor invoices. (1 mark)

(ii) Briefly describe how it was applied. (2 marks)

Continued...

(b) Describe how vendor-managed inventory (VMI) system reduces the amount of inventory on hand. (2 marks)

(Total: 15 marks)

QUESTION 4

Part A

Factory X and Z are manufacturing companies involved in food and beverage industries. Both factories apply different planning approach in their production but both plans in advance. Below are the differences stated on their planning schedules and finished goods descriptions:

	Factory X	Factory Z
Planning schedule duration	Shorter planning horizons	Plans a year period ahead
Product life cycle	Short	Long
Product demand level	Uncertain	High

Required

(a) Name **TWO (2)** approaches that are generally applied by manufacturing companies in planning their production. (2 marks)

(b) Briefly describe **TWO (2)** approaches applied by Factory X and Z using a table below:

No.	Factory X	Factory Z
1. 2. 3.		

(6 marks)

(c) Provide any **ONE (1)** document used in planning and scheduling production. (1 mark)

Part B

(a) Name the types of quality control based on the examples below:

	Examples	Type of quality costs
i	One-year warranty is entitled to each customer from the date of the smartphone purchased.	
ii	Training cost on employee to be able to multitask and produce the product correctly.	
iii	Quality checks are done on all components, parts and materials before productions.	
iv	Safety test on each smartphones before packed and shipped to customers.	

(4 marks)

Continued...

Part C

Recruiting, hiring, training, assigning and evaluating performance are some of the important tasks performed in Human Resource Management (HRM) cycle.

Required

(a) Briefly explain the **TWO (2)** important roles of Human Resource Management cycle in an organisation. (2 marks)

(b) List any **THREE (3)** major sources of input in a payroll system. (3 marks)

(c) State **TWO (2)** other tasks performed by a human resources personnel besides the tasks as mentioned in the box above. (2 marks)

(Total: 20 marks)

End of Paper